VZCZCXYZ0016 RR RUEHWEB

DE RUEHBS #1643 3411611
ZNY CCCCC ZZH
R 071611Z DEC 09 ZDK
FM USEU BRUSSELS
TO RUEHC/SECSTATE WASHDC
RHEHNSC/NSC WASHDC
INFO RUCNMEU/EU INTEREST COLLECTIVE
RUEHAK/AMEMBASSY ANKARA
RUEHKB/AMEMBASSY BAKU
RUEHIT/AMCONSUL ISTANBUL
RHMFISS/DEPT OF ENERGY WASHINGTON DC

CONFIDENTIAL USEU BRUSSELS 001643

SIPDIS

E.O. 12958: DECL: 12/06/2014

TAGS: EPET AJ TU EU

SUBJECT: ERDOGAN ASKED NABUCCO REPS ABOUT IRANIAN GAS

Classified By: EEST Unit Chief Louis L. Bono, reasons 1.4(b) and (d).

- 11. (C) Neil McMillan, RWE's Nabucco representative in Brussels, reported that the December 3 meeting between Prime Minister Erdogan and RWE's Joschka Fischer and Stefan Judisch went well but "did not produce any breakthroughs." McMillan said Erdogan seemed "more positive than negative" ) about the prospects for a bilateral agreement between Turkey and Azerbaijan, but he declined to discuss specifics. Erdogan said relations with Iran must be normalized and asked about the prospects for transmitting Iranian gas through Nabucco. According to McMillan, Fischer and Judisch replied that this is not an option at this point. McMillan added that Erdogan was open to participation by French companies GDF and EDF in Southern Corridor ventures.
- 12. (C) While waiting to see Erdogan, the group had a brief chat with Energy Minister Yildiz, whom McMillan described as more upbeat. He said Yildiz is eager to get supplies lined up, notably Iraqi and Turkmen gas. He told the RWE execs that Nabucco is a strategic priority for Turkey, as it is the only project that would provide excess capacity in the long-term. In this respect, Yildiz described ITGI as a good short-term option. Fischer and Judisch were quick to point out that if ITGI succeeds in obtaining Shah Deniz II gas, RWE will pull out of the Nabucco venture.
- ¶3. (C) Cuneyt Zapsu, an advisor to RWE whom McMillan described as of a local operator and close friend of Erdogan, was also present. Foreign Minister Davutoglu was not present ) he was in Brussels, but McMillan said Fischer plans to meet with Davutoglu and as well as with President Gul ) whom "Fischer knows well" after the New Year. McMillan and RWE's Business Development Director Jeremy Ellis will be in Washington December 9-10 for meetings with U.S. officials. Kennard

.